



FEDERAL ELECTION COMMISSION
WASHINGTON, D C. 20463

MAR - 7 2007

Amanda S. LaForge, Esq.
Democratic National Committee
430 South Capitol Street, SE
Washington, DC 20003

RE: MUR 5612
Democratic National Committee and
Andrew Tobias, in his official capacity as Treasurer

Dear Ms. LaForge:

On November 18, 2004, the Federal Election Commission notified your clients of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. On February 3, 2005, your clients were notified of additional information submitted by the complainant. On February 7, 2007, the Commission found, on the basis of the information in the original complaint and its amendment, and information provided by your clients, that there is no reason to believe the Democratic National Committee and Andrew Tobias, in his official capacity as Treasurer, violated 2 U.S.C. § 441b. Accordingly, the Commission closed its file in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). A copy of the Factual and Legal Analysis is enclosed for your information. If you have any questions, please contact Camilla Jackson Jones, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,

Thomasenia P. Duncan
Acting General Counsel

A handwritten signature in black ink, appearing to read "Rhonda J. Vosdinger".

BY: Rhonda J. Vosdinger
Associate General Counsel
for Enforcement

Enclosure: Factual and Legal Analysis

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**FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS**

RESPONDENT: Democratic National Committee

MUR: 5612

I. INTRODUCTION

This matter was generated by a Complaint filed with the Federal Election Commission by the National Right to Work Legal Defense and Education Foundation, Inc. *See* 2 U.S.C. § 437g(a)(1). The Complaint alleges that the Service Employees International Union (“SEIU”) violated the Federal Election Campaign Act of 1971, as amended (the “FECA”), by using general treasury funds to support a 2004 fundraiser sponsored by America Coming Together (“ACT”) for the benefit of the Democratic National Committee (“DNC”). For the reasons set forth below, the Commission found no reason to believe that the Democratic National Committee violated 2 U.S.C. § 441b.

II. FACTUAL AND LEGAL ANALYSIS

ACT is a non-connected political committee with federal and non-federal accounts. The Complaint alleges that ACT, with the benefit of financial support from SEIU, sponsored a fundraiser in which “gifts” of artwork that had been donated by various local artists were awarded to donors who contributed from \$1,000 to \$5,000. *See* Complaint at ¶ 6. Support for these allegations comes from an article about the fundraising event hosted at the Carl Solway Gallery and sponsored by ACT and graphic arts company, Gemini Graphic Editions Limited (“Gemini G.E.L.”).¹ *See* Complaint,

¹ Specifically, the article states, “[t]he works are ‘free’ when an individual makes a minimum contribution of \$1,000, with a \$5,000 limit if the funds support the federal Democratic ticket. ACT has already collected upwards of \$750,000 from donations in exchange for limited-edition prints on display here and elsewhere. The prints are technically not for sale, but are rather a gift in exchange for a donation.” *Id.*

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Exh. C. The article makes no mention of the DNC, but describes the event as a fundraiser “[t]o support current Democratic Party candidates.” *Id.*

The information available to the Commission, including the DNC’s response, indicates the fundraiser was an event to raise money for ACT, and that the DNC was not involved in and derived no benefit from the artwork fundraiser. *See* Democratic National Committee Response dated December 16, 2004 (“DNC Response”).

The only support for allegations that the DNC benefited from an ACT artwork fundraiser comes from an article about the event which contained information that is specifically refuted by the DNC. Yet, the article cited in the Complaint makes no mention of the DNC, and simply states that funds raised during the event would be used “to support current Democratic Party candidates.” *See* Complaint, Exh. C. The response submitted by the DNC, as well as statements in the possession of the Commission, indicate that the artwork fundraiser was sponsored by ACT to raise money for ACT, and that the DNC derived no benefit from the event.

Accordingly, the Commission finds no reason to believe that the DNC violated 2 U.S.C. § 441b.